

DIR Director's Message

DIR in tomorrow's workplace

by Lloyd W. Aubry Jr.

For working families, the last holiday of the summer, Labor Day, was a time to spend together. Some were able to take a final short vacation while many others were busy readying the children for their return to school.

To those of us engaged in developing public policy and monitoring workplace issues, this month's holiday gave us an opportunity to reflect on several important developments that have occurred. These developments not only affect the workplace, they also impact on future opportunities for the work force, employers, and young people just beginning their careers.

An issue becoming increasingly important to Californians is their availability to spend time with family while handling the rigors of the workplace. More often both parents in the household are wage earners, and the schedules they must maintain can turn their children into latchkey kids.

More flexibility in work hours is needed for California workers, an idea generally favored by working parents. Over a year ago Governor Wilson championed legislation that would provide this type of flexibility.

The legislation would simply have conformed California law to federal law, but unfortunately the Legislature did not enact the proposal. As a result, the Governor asked the Industrial Welfare Commission to review the wage orders that govern hours of work for five

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Minimum wage boost goes into effect: employers to pay more on October 1

Business owners who employ minimum wage earners will pay those employees 50 cents an hour more starting October 1. Complying with its legislative mandate, the Industrial Welfare Commission (IWC) formally adopted the federal minimum wage increase to \$4.75 per hour.

The federal law contains a provision that will again increase the minimum wage for employees to \$5.15 per hour effective September 1, 1997.

Earlier this month, business owners

began receiving an alert to the changes in the law through a mass mailing conducted by the state Employment Development Department on behalf of DIR. The IWC has begun preparing its Official Notice of the new minimum wage and will mail it to employers statewide. Companies will be required to post the notice in the workplace next to their IWC industry or occupational order.

The IWC, which sets standards for

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Wilson appoints Miller, Rice

Governor Pete Wilson appointed Terry Miller as DIR's deputy director of legislative affairs and Rick Rice as acting deputy director of communications.

Miller, who replaces recently named State Labor Commissioner Roberta Mendonca, has served as assistant vice president of the American Insurance Association, an organization composed of national and regional insurance companies, primarily in the areas of casualty, liability and workers' compensation insurance.

As deputy director of legislative affairs, Miller represents the director and the department before legislative committees. He also serves as liaison with the business community and with representatives of workers, employers and labor unions. The appointment does not require Senate confirmation.

Rice replaces Louis Bonsignore, who accepted a six-month temporary assignment as a loaned executive with the United Way for the United California State Employees Campaign.

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Fewer California workers injured or killed in workplace, report says

The number of injuries or illnesses reported across California workplaces reached a new low in 1994, said DIR's Division of Labor Statistics and Research (DLSR). Its report shows workers in both the public and private sectors suffered nearly 16,000 fewer nonfatal work injuries and illnesses in the year ended—902,600 in 1994, down from the 918,400 reported cases of 1993.

In 1995 fewer California workers sustained fatal injuries while on the job than in the previous year, according to a second preliminary report from DLSR.

The figures on injuries and illnesses in 1994, gained from employer occupational safety and health logs, represent nearly 8.6 nonfatal work injuries and illnesses per 100 full-time employees. The rate is below the previous low of 9.0 per 100 full-time employees a year earlier, yet remains higher than the nationwide rate of 8.4 reported by the U.S. Department of Labor.

Experts say the reason for the lower injury and illness figures was a drop in less serious cases. Those cases, which represent no lost days from work, went from 4.8 cases per 100 workers in 1993 to 4.4 cases per 100 workers in 1994. The national rate is 4.6 cases per 100 workers. The 465,900 case total was down from the previous year's 493,400.

Cases where workers lost at least one day from their employment remained relatively unchanged, 4.1 cases per 100 workers in 1994 compared to 4.2 cases in 1993.

Figures from DLSR showed a continuing drop in the number of work-related deaths over the last two years. For 1995, DLSR's report indicates 614 workers died from work-related causes, down from the 641 deaths recorded in 1994. The figure is revealed in the 1995 Census of Fatal Occupational Injuries (CFOI), a study of preliminary data conducted by DLSR in cooperation with the U.S. Bureau of Labor Statistics.

The CFOI program identifies incidents involving workplace fatalities from several sources, including Cal/OSHA and federal OSHA reports, law enforcement information, workers' compensation claims, coroner's reports, and even news reports.

The census identifies, verifies, and profiles workplace fatalities involving all employees in the private sector, self-employed individuals, and civilian and military government employees.

Transportation accidents continue as the leading cause of workplace deaths in 1995, with 252 fatal injuries or 41 percent of the total. Half of the transportation accidents involved highway traffic incidents, with collisions between vehicles the most common event.

In 1995 assaults and violent acts, the second leading cause of workplace fatalities, registered 185 deaths. This is a big drop from the 245 cases reported in 1993, when assaults accounted for the highest number of work-related deaths in California.

As in prior years, most work-related homicides in 1995 occurred in the retail trade industry with 54 fatalities. Two occupational groups—sales and protective service occupations—together accounted for almost half of all workplace homicides.

Other causes of workplace fatalities included 64 workers, or 10.4 percent of the total, who were struck by a falling object or caught in equipment on collapsing structure or materials. Additionally, 47 people, or 7.7 percent, died from falls; 46 people, 7.5 percent, perished from exposure to harmful substances or environments (electrocution, noxious substances, drowning). Fires and explosions accounted for 19 times, or 3.1 percent, when a worker died from a work-related incident.

Workplace traumatic deaths were incurred by men 90 percent of the

time, well above their share of California's employment. Seven out of 10 of those who were fatally injured were in the prime working age group—25 to 54 years, according to the report.

For the private industry sector, more fatalities occurred in the transportation and public utilities industry, accounting for 104 fatalities or 16.9 percent of the total. Other industry groups showed:

- Services—103 deaths, 16.8 percent of the total.

- Construction—76 deaths, 12.4 percent.

- Retail trade—72 deaths, 11.7 percent.

- Agriculture, forestry and fishing—63 deaths, 10.3 percent.

- Manufacturing—47 deaths, 7.7 percent.

- Wholesale trade—28 deaths, 4.6 percent.

- Finance, insurance, real estate—20 fatalities, 3.3 percent.

- Mining—6 deaths, 1 percent.

Among occupational groups, operators, fabricators and laborers had the greatest number of fatalities, 199 or 32.4 percent. Other groups showed:

- Technical, sales, administrative support occupations—92 deaths, 15 percent of the total.

- Precision production, craft and repair occupations—89 fatalities, 14.5 percent.

- Managerial and professional specialty occupations—82 deaths, 13.4 percent.

- Service occupations—62 deaths, 10.1 percent.

- Military occupations—20 deaths, 3.3 percent.

Copies of the statistical tables may be obtained from the California Division of Labor Statistics and Research, P.O. Box 420603, San Francisco, CA 94142-0603—or by calling 415-972-8654.

Good news for workers' comp

Two reports released recently offer convincing evidence that reforms to the state's workers' compensation system championed by Governor Wilson three years ago have turned the system around.

Both the report by DIR's Division of Workers' Compensation and the study by the Commission on Health and Safety and Workers' Compensation indicate overall costs for California's mandated compensation system have declined dramatically, and that the number of medical-legal examinations also dropped significantly.

From a peak in 1993—when the workers' compensation system cost employers \$11 billion—the system plunged to a cost of \$8 billion at the end of 1995. The figures are provided in the report *Workers' Compensation Reform, Third Anniversary Update* published by DIR in July. The report suggests that if Wilson's reform measures had not been effectively put into place, and if costs had continued to increase at the 1993 rate, the cost of the system could have soared to \$13 billion.

The reforms of 1993 recognized that costs of the system were out of control and needed to be contained, and that maximum benefits paid to injured workers had not risen and were among the lowest in the nation.

The reforms mandated incremental increases in benefits for legitimately injured workers. The final benefit increase occurred on July 1, bringing the maximum weekly benefit to \$490, 85 percent of the average weekly wage. This is up from \$336 in 1993, then only 65 percent of the average weekly wage.

Workers' compensation premiums also came down dramatically—as much as 35 percent—as a product of the reforms, the report showed. The Workers' Compensation Insurance Rating Bureau recommended on August 29 to the California Insurance Commissioner that pure premium rates

be reduced by another 2.6 percent. Prior to the reforms, premiums were listed at \$9 billion in 1993. In 1995 they had dropped to under \$6 billion.

The study broke the figures down for businesses, showing that in terms of percentages of payroll, the average premium rate per \$100 of payroll in California loomed at nearly \$5 in January 1993. Three years later those rates had fallen to \$3.81 per \$100 of payroll.

Commenting on the effect of the changes, Governor Wilson said the shift in workers' compensation cost is indicative of how the state has tackled the systemic problems associated with its previous harsh economic climate. "Only three years ago workers' compensation was destroying our competitiveness and symbolized all that was wrong with the business climate in California," Wilson said. "The workers' compensation turnaround symbolizes our determination to create opportunity for California's businesses and employees."

In a separate study under the control of the state's Commission on Health and Safety and Workers' Compensation, research shows that the frequency of medical-legal examinations for injured workers has fallen off significantly.

Specifically, a positive turnaround has come in the dueling doc syndrome, the survey data indicated. The average number of exams per claim has declined by half, from 2.2 exams for the 1991 accident year to an estimated 1.1 exams for the 1994 accident year. The study stated that this decline was reflected in a drop in the number of represented cases.

Numbers of exams in unrepresented cases—those administratively processed without attorneys involved—remained consistently lower and had changed little.

The Commission was established under the 1993 Reform Act to conduct

a continuing examination of the workers' compensation system and of the state's activities to prevent industrial injuries and occupational diseases, and to examine those programs in other states.

The study, conducted by the UC DATA Survey Research Center at the University of California at Berkeley under contract with the Commission, showed that costs of medical-legal examinations on Permanent Partial Disability claims declined significantly—to the level of a \$333 million savings—since their peak during the 1991 accident year.

The study showed costs for the insured community peaked at \$394.5 million in 1991, and fell to \$64.5 million within three years. The average cost per exam has declined nearly 38.6 percent, from \$987 for 1991 accident year claims to an estimated \$606 for 1994 accident year claims.

Still, the survey showed that not all changes reflect an absolute shift to overall success. The study stated new dispute resolution mechanisms put into place—arbitration and mandatory settlement conferences—had not completely accomplished what had been hoped. Proposals, such as the Health Care Organization reform, have so far stalled in the Legislature.

A copy of DIR's *Workers' Compensation Reform, Third Anniversary Update* can be obtained by telephone request: 415-972-8835.

A copy of the Commission on Health and Safety and Workers' Compensation report can be obtained by writing a request to 30 Van Ness Ave, Suite 2122, San Francisco, CA 94102—or by faxing a request to 415-557-1385. The report is also available through DIR's Internet servers' Commission on Health and Safety and Workers' Compensation home page at www.dir.ca.gov.

Standards Board on schedule for ergonomics standard

The Occupational Safety and Health Standards Board (OSHSB) remains on schedule to adopt an ergonomics standard by December 1. A meeting by OSHSB in Los Angeles scheduled for September 19 was the scene of a full discussion of the revised standard.

A revised draft of the ergonomics standard was released on July 15 with changes made in response to the comments heard last January. The revised proposed standard is intended to provide clarity as a performance-oriented standard allowing latitude for employers to minimize the effects of repetitive motion injuries in their workplaces.

On August 5 the board closed a 15-day written comment period for the modifications of the proposed standard. The board received 150 comments from 33 individuals and association representatives.

While some groups argue that workers must have regulatory protection to prevent repetitive stress injuries, the business community in California has generally opposed such legal protections. No other state is close to establishing any ergonomic regulations.

Meanwhile, a fledgling effort by federal OSHA to adopt a national ergonomics standard has stalled due to Congress' exercise of its power of the purse in the federal budget. However, a change came in July when the House voted 216 to 205 to drop a GOP-backed provision that would have halted development of an ergonomics standard. The vote clears the way for federal OSHA to resume work if it chooses to establish a guideline or regulation on repetitive-stress injuries.

Two bills to repeal the requirement that OSHSB adopt an ergonomics standard have failed to move out of the

Senate Industrial Relations Committee. Both California Assembly bills, which were up for hearing before this committee on June 12, would have mooted a court order that requires OSHSB to promulgate an ergonomics standard by the end of this year.

Assembly Bill 50 (Johnson) was introduced in 1995. It advanced through committee last year and passed the Assembly on a 41-38 vote in January. The bill's author dropped the bill because of its near assured fate in committee. It appeared headed for party line votes, as the bill was supported strongly by business but was opposed by labor.

Assembly Bill 2504 (Ackerman) was introduced in February. It also would repeal Labor Code Section 6357 entirely, and its language was identical to AB 50. As introduced, AB 2504 contained an urgency clause, "in order to forestall implementation of unneeded state regulation." An urgency bill requires a two-thirds vote for approval, and is effective immediately upon the Governor's signature. Non-urgency bills are effective the following January 1 and require a majority vote for approval. AB 2504 was amended on the Assembly floor and passed 42-30 on May 30. The bill had been scheduled to be heard at the same Senate Industrial Relations Committee meeting, but was withdrawn by its author.

Interestingly, the votes on AB 50 and AB 2504 reflect some minor partisan shifts inside the Assembly. AB 50 passed the Assembly on a party-line vote with all 41 Assembly Republicans providing the necessary votes in favor. On AB 2504, the 42 votes included 40 Republicans, one Democrat, and the Assembly's one Reform Party member. The votes opposing were by 29 Democrats and one Republican.

Surfin' the net—tool for industries

It's as easy as pointing a mouse and clicking on the World Wide Web to find out if those with whom you're considering a business partnership might land you a hefty fine. DIR's Division of Labor Standards Enforcement's (DLSE) new on-line service offers the capability to learn if garment or farm labor contractors are legally certified to operate in the state.

The free technology is expected to be used by scores of legitimate business owners to help them avoid the costly pitfalls of contracting with an unregistered contractor and being held jointly liable for possible labor law violations. Information on over 4,000 garment and farm labor contractors registered in the state can be accessed on-line.

All garment manufacturers and farm labor contractors in California are required to maintain registration with the Labor Commissioner. The registration is good for one year and expires if not renewed. Under existing law, a business that contracts with an unregistered contractor can be held jointly liable for infractions such as unpaid wages, child labor violations and penalties levied by the Labor Commissioner.

The system may help minimize the number of unlicensed contractors who work illegally in the state, especially in the Southern California apparel industry, by providing a new tool for businesses owners to protect themselves from unknowingly contracting with unregistered businesses.

Anyone seeking registration information can find it on the Internet at <http://data.dir.ca.gov>. Once in the system and by following simple instructions, the user can call up files from databases covering garment manufacturers and farm labor contractors. (There is also a database for talent agencies, and although joint liability laws do not apply to talent agents, potential clients can access the data to confirm licensing status.) By typing in specific data, such as a business name or the license registration number, the

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Governor augments TIPP funding

Agency conducts biggest garment sweep ever, increases tools for legitimate employers

A week-long enforcement effort ending August 23 and stretching across the heart of California's apparel industry in Los Angeles and Orange counties produced nearly 800 violations of workplace health, safety and labor law requirements, and more than \$860,000 in proposed penalties.

The sweep consisted of 18 teams of investigators from DIR's Division of Labor Standards Enforcement and Cal/OSHA, and the U.S. Department of Labor Wage and Hour Division.

This largest coordinated enforcement effort to date represents what will soon become a common occurrence in government efforts to level the playing field for law-abiding businesses in the garment industry. Governor Wilson has budgeted funding for 24 additional state personnel to focus on the garment industry's most egregious violators of labor, safety and tax laws. Hiring of new enforcement officials has already begun.

California Labor Commissioner Roberta Mendonca stated, "Our

commitment to all legitimate employers who work within the law to succeed in this industry remains sound. We appreciate the support of our enforcement efforts by the legitimate employers and know that the additional enforcement resources will be appreciated by them."

Only days after the August sweep, the Labor Commissioner unveiled additional steps to assist and help educate business owners in the industry. Some assistance elements include:

- A garment hotline to report violations and information on unlicensed garment contractors. The toll-free number is 1-800-803-6650 and is answered in both English and Spanish.

- A publication summarizing basic state and federal requirements for garment industry employers, available from DLSE. It can also be downloaded from DIR's Internet Homepage (<http://www.dir.ca.gov>). The summary will soon be available in Chinese, Korean, Spanish and Thai.

- An industry-wide self-audit program to enhance awareness of basic employer requirements. Audit materials will also be available in five languages.

- Educational forums being augmented and follow-up meetings with employers cited for labor law violations to encourage and inform unwitting employers by giving them a clearer understanding of their violations and how not to repeat them.

- Garment contractor registration status and information on-line through the DIR Homepage (see Surfin' the net, page 4).

- The one-stop permit system for garment employers in Los Angeles, nearing completion. Starting in October, new business applicants can apply for city, county and state licenses or permits and pay for the cumulative fees at one location and at one time. Applications may also be made via the Internet.

TIPP report hits the stands, numbers show positive turn

The Targeted Industries Partnership Program Third Annual Report 1995 was published last month by DIR's Division of Labor Standards Enforcement.

The review of the nearly four-year joint venture which concentrates on the garment and agriculture industries showed last year the state assessed more than \$5.3 million in penalties, issued 807 civil citations and collected more than \$3.6 million in back wages for employees.

TIPP, the acronym used for the group, is a coordinated unit comprised of state, federal and local agencies to enforce labor laws and educate employers and employees about those laws. It began in 1992 as a two-year pilot program, and following its tremendous success was extended indefinitely with a broadened jurisdiction.

Overall, data in the 1995 annual report show that the TIPP philosophy of enforcing the law through a shared use of resources has made an impact.

During its first three years, TIPP recovered and paid California's poorest workers more than \$8 million in back wages, assessed more than \$17.3 million in civil fines, and initiated 259 criminal citations.

In addition to the hard numbers, statistics show another level of success that is registered not in citations but in an increasing sense of employer compliance. During the same time period, the total number of civil citations issued to agricultural employers fell by 13 percent, and to garment employers by 17 percent.

The statistics indicate TIPP's education and enforcement efforts have begun to take hold in both

Surfin' the net

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system can provide registration and licensing status of that business.

To find a number of registered contractors doing business in a particular city or ZIP code area, one can simply search by entering the name of the city or the ZIP code. This feature will prove useful for manufacturers anywhere in the world searching for a registered contractor with whom to do business in California.

The database is updated regularly. To ensure up-to-the-minute information on a contractor's registration status, more information can be obtained and comments can be sent to the Labor Commissioner's office by emailing to DLSE.licensing@dir.ca.gov.

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IWC wage boards review

The Industrial Welfare Commission scheduled meetings for five separate wage boards to review daily overtime issues and make recommendations. The wage boards meet from 10 a.m. to 5 p.m. in San Francisco at 45 Fremont Street, Room 1100, on:

- Order 1, Manufacturing Industry Wage Board—September 12-13.
- Order 4, Professional, Technical, Clerical, Mechanical and Similar Occupations Wage Board—September 26-27.
- Order 5, Public Housekeeping Wage Board—October 10-11.
- Order 7, Mercantile Industry Wage Board—October 24-25.
- Order 9, Transportation Industry Wage Board—November 7-8.

The IWC has asked the wage boards to review increased flexibility in the number of hours worked in a workday and the number of days worked in a workweek, as well as some mealtime considerations and specific employee exemptions.

First prompted by a letter from

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TIPP report hits the stands

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industries. A year-by-year comparison shows that workers' compensation violations, for example, have decreased each year in both industries, so that inspectors found less than half the number of these violations in 1995 than in 1993. This has resulted in a dramatic reduction in taxpayer liability for on-the-job injuries in two hazardous industries.

Still, overall compliance has been mixed in other violation categories.

Child labor violations declined in the first two years in both industries but rose during the third year. In agriculture, the increase may have been due to workhour reforms contained in omnibus child labor legislation that improved the targeting of potential violators.

The report offers statistics demon-

strating that TIPP has made a solid impact to curtail violations by unscrupulous employers in the state's huge garment industry. The unit made 703 inspections and sweeps during 1995, a big jump from the previous year's 500 inspections.

Through its investigations, inspectors discovered 41 violations of child labor, 74 instances of illegally paying employees cash, and 25 violations of not paying at least the minimum wage. The year's 99 violations of workers' compensation requirements maintains that category as the most commonly found infraction.

A copy of the Third Annual Report can be obtained from the Division of Labor Standards Enforcement by telephone request: 415-557-7878.

Minimum wage boost goes into effect

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wages, hours and working conditions in California, voted unanimously in favor of the measure. California Labor Code Section 1182(b) specifies that if the federal minimum wage increases to a level higher than that of the state, the Commission is required to adopt the federal minimum wage.

While the IWC retains its mandate to review all wage orders, its adoption of the minimum wage increase does not affect any other provision of the current Orders. Employers should be aware that meal and lodging credits contained in IWC Order MW-88 and other IWC wage orders remain unchanged.

Even with the new wage rate—which affects almost every minimum wage earner in the country—a state initiative called the "Living Wage Act of 1996" could send the rate higher for

California businesses. California voters will determine in the November general election whether the minimum wage should exceed what the federal government has set.

If the initiative passes, it will increase the minimum wage in a staggered formula similar to the two federal increases: to \$5 per hour on March 1, 1997 and to \$5.75 a year later on March 1, 1998. That would make California the only state to pay a minimum wage higher than what the federal government has passed.

While nearly all employers are aware of the higher federal rate, there remains some confusion as to how three employee classifications will ultimately be affected. Employees who fall under the classification of "opportunity wage" earners, those under 20 years of age who just began employ-

ment, and employees classified as "learners" or "minors," will have different rates below the established minimum wage. And while the IWC sets wage standards, it remains the task of DIR's Division of Labor Standards Enforcement to interpret the standards and enforce them.

DLSE attorneys are evaluating the impact of the federal law on these groups and expect to have a clarification before the October 1 increase. DLSE is installing a toll-free line to provide pre-recorded information helping employers understand the new minimum wage rules. The number, 1-888-ASK-WAGE, is scheduled to be operational by September 20.

For minimum wage information, employers can write to the IWC, P.O. Box 420603, San Francisco, CA 94142-0603—or contact the IWC at 415-975-0761.

Confiscated garments from El Monte to be featured at Smithsonian

The Smithsonian Institution's National Museum of American History has requested that DIR donate some of the garments and sewing machines confiscated by DLSE a year ago at the notorious El Monte apartment complex that housed a slavery and sweatshop operation.

The items will become part of the Washington, D.C. museum's planned exhibition titled *Work and Worth*. Smithsonian representatives indicate

that they want to use articles of clothing manufactured inside the El Monte factory along with sewing machines and pieces of the razor wire that surrounded the complex.

The display ultimately will provide museum visitors with "an emotional or visual sense of what it was like to live and work" at the sweatshop, said Lonnie G. Bunch, an assistant director with the museum. Bunch said the enforcement action which uncovered

the abuse and was led by the California Division of Labor Standards Enforcement "also tells you about the system working in an effective manner."

The exhibit, which museum officials expect to open in two years, will focus primarily on workplace conditions through the decades, and will shine a powerful symbolic light on how California enforcement efforts have proven effective in eradicating the type of inhumane abuse found inside the apartment complex.

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different industry/occupation groups.

The IWC has appointed wage boards which are in the process of that review now, and will in turn be making recommendations to the Commission.

If changes permitting flexible work hours are recommended, the IWC will follow up with public hearings. Although it would have been much simpler to make these changes legislatively, the Wilson administration—in its desire to help families cope with work and the demands of home—is proceeding administratively. The future of flexible work hours now rests in the hands of the Industrial Welfare Commission.

Another workplace issue of concern to everyone is safety and health. DIR's Division of Labor Statistics and Research announced that for the last full reporting period of 1994, the number of workplace injuries in California declined from 1993. Also, the most recent preliminary data for 1995 show that workplace fatalities have also declined over the previous year. This is a welcome trend for employers and employees alike.

The good news may be reflected in something else, the workers' compensation rates being paid by California employers. Since Governor Wilson launched his campaign to reform the workers' compensation system in 1993,

total premium rates paid by employers have declined by as much as 35 percent.

Of course that decline is not due strictly to a reduction in the number of workplace injuries, but primarily because of systemic changes that the reforms invoked. The reforms reintroduced cost accountability to the system, and the changes seem to be working.

Also, benefits to injured workers were increased on July 1 to \$490 per week, 85 percent of the average weekly wage. Just three years earlier the weekly benefit stood at only \$336, or 65 percent of the average weekly wage. Likewise, the Workers' Compensation Insurance Rating Bureau recommended on August 29 to the California Insurance Commissioner that pure premium rates be reduced by another 2.6 percent.

As a result of reforms, we are in the enviable position in which the overall cost of the system has declined dramatically while the benefits that legitimately injured workers receive have increased.

One of the most frustrating problems plaguing labor law enforcers has been the battle against the proliferation of sweatshops in California's thriving garment industry. Reasons for the proliferation are many and very complex, and the problem continues to be

compounded by illegal immigration.

The situation was perhaps best illuminated by the Labor Commissioner's discovery at El Monte last summer and has since been the subject of national attention.

In any event, additional muscle for the continuing battle against the sweatshop problem was approved. Governor Wilson this year augmented funding to help level the playing field for law-abiding employers in the garment industry. DIR's Division of Labor Standards Enforcement has already begun interviewing and hiring 24 new compliance officers earmarked for the fight against underground sweatshops in Southern California.

Finally, a very important program supported by Governor Wilson is developing within DIR's Division of Apprenticeship Standards. The School to Career Apprenticeship Program is designed to bring young people into accredited apprenticeship training as early as high school. The programs under School to Career offer a variety of training and skills across a wide spectrum of industries. It is just beginning in California, and we expect it to grow and provide young Californians with the training and skills necessary to become solid citizens of the state.

Biennial report coming

DIR's 1994-1995 biennial report is nearing completion and will soon arrive at the Office of State Printing. The report will be available to the public, and Bulletin readers can expect to receive a copy shortly after printing.

DIR's biennial report was last published for the period of 1992-1993 and included 41 pages of information about the department. Each division, board, council, commission and program is introduced with a description of its mission and the services it provides.

An updated list of office addresses and phone numbers statewide will be provided along with a list of publications that cover the entire range of DIR programs. This upcoming biennial report expands its coverage to 56 pages, giving background information for decision-makers and constituent organizations, and serving as a reference for people who are in need of DIR services.

IWC wage boards review

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Governor Wilson, the Commission is examining overtime reform for the benefit of employees and employers alike. A flexible work schedule would allow employees more time for their family commitments. Currently, the federal rules require overtime after 40 hours worked in a week; there is no federal daily overtime rule.

After the wage boards make their recommendations to the IWC, any changes subsequently proposed by the Commission will be presented at public hearings scheduled at a later date. During these hearings, members of the public can give testimony regarding the proposed changes.

For information on the wage boards, contact the IWC by calling 415-975-0761 or writing to the Industrial Welfare Commission, P.O. Box 420603, San Francisco, CA 94142-0603.

Wilson appoints Miller, Rice

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Rice, who has been with DIR for nearly a decade, has served as a public information officer stationed in both San Francisco and Los Angeles. He has handled the important role of providing DIR's position to the media in the competitive Southern California media market. Rice now works from the Directors Office in the San Francisco headquarters and coordinates DIR communications-related functions.

Another staff change is the departure of Paul Lynd, special assistant to the chief deputy director since last year. He had previously served as DIR's special assistant to the deputy director of communications. Lynd resigned his position with the Wilson administration effective July 15. He had been with the Governor's Office for several years and came to DIR in 1993. Lynd is attending the UCLA School of Law this fall.

